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SUBJECT: DPRK Contract Laborers Decline Sharply

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11. (SBU) On June 9, MFA Consular Department Director Ochirjav told visiting Treasury Deputy Assistant Secretary Danny Glaser that in recent months there had

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been a decline in the number of North Korean contract workers, from 200 persons to 50 persons. (Note: In delivering the TIP report demarche to Ochirjav's deputy on June 5, Poloff noted that U.S. assessment of Mongolia's good efforts on other aspects of trafficking in persons could be jeopardized by the government's permission to import contract laborers from the DPRK. On June 6, Poloff called to MFA's attention G/TIP Director Miller's expression of concern about the DPRK laborers during a press interview the previous day.)

- (SBU) Anecdotal evidence that a decline in the number of DPRK workers might occur was provided at the end of March. A politician/businessman who is a leading member of the "Northeast Asia Association" (which promotes closer links between Mongolia and North Korea) told visiting House International Relations Committee staff member Douglas Anderson that he had recently sent home the 50 DPRK workers who had worked for him. The businessman said that Mongolian immigration authorities had declined to extend their visas. Most of the North Koreans, he said, had told him they wanted to continue working for him, but he had replied there was nothing he could do. Asked whether he intended to replace them with new DPRK workers, the businessman replied in the negative. The economics had changed, he said, and while he had been interested in extending the old workers, obtaining new DPRK workers was too expensive relative to other options.
- 13. (SBU) However, on June 1, our Commercial Specialist heard from the President of Boroo Gold (an American national), a Canadian owned firm, that a representative of the North Korean diplomatic mission had approached him directly about hiring DPRK laborers to replace his Mongolian staff. The President described the North Korean as extremely professional in both manner and appearance. He further stated that the DPRK representative offered to supply laborers for unskilled and skilled categories currently filled by Mongolians, all for the low price of US \$1.50 per day per worker. The DPRK representative noted that other firms were interested in his workers, but only gave the name of Mongol Gazar, a Mongolian-owned gold mining firm, as

hiring North Koreans to operate heavy equipment. The President declined to hire any DPRK workers.

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